

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF KENTUCKY)
WATER SERVICE COMPANY, INC.) CASE NO. 7867

ORDER DENYING PETITION
FOR REHEARING

On December 2, 1980, Kentucky Water Service Company, Inc., (hereinafter Applicant) filed a petition for rehearing of certain aspects of the Commission's Order of November 12, 1980, entered in Case No. 7867. Therein Applicant alleged that the Commission's Order was unreasonable due to the rate of return on equity and the cost rate on short-term debt that the Order allowed. Applicant further stated that the Order was in error due to the method utilized in adjusting Applicant's equity to reflect the Commission's treatment of Applicant's Job Development Investment Tax Credit, the method used to adjust Applicant's purchased power cost, and for not adjusting for the full amount of Applicant's estimated overrun of rate case expenses. Applicant further alleged that the Order denied constitutionally guaranteed due process of law because, in Applicant's opinion, the Commission's decision was not supported by the evidence of record.

FINDINGS

The Commission, after consideration of the matter herein and being fully advised, is of the opinion and so finds:

That the Commission was aware of all the evidence of record and said evidence was given full consideration by the Commission in its Order of November 12, 1980.

That Applicant's petition for rehearing presents no additional evidence to affect the decision rendered in the instant case.

IT IS THEREFORE ORDERED that the petition for rehearing filed by Kentucky Water Service Company, Inc., is hereby denied.

Done at Frankfort, Kentucky, this 22nd day of December, 1980.

UTILITY REGULATORY COMMISSION

Did Not Participate
Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary